

**Senate File 484 - Reprinted**

SENATE FILE 484

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 1243)

(As Amended and Passed by the Senate April 15, 2015)

**A BILL FOR**

1 An Act relating to the medical cannabis Act and providing for  
2 civil and criminal penalties and fees.

3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 124.204, subsection 4, paragraphs m and  
2 u, Code 2015, are amended by striking the paragraphs.

3 Sec. 2. Section 124.204, subsection 7, Code 2015, is amended  
4 by striking the subsection.

5 Sec. 3. Section 124.206, subsection 7, Code 2015, is amended  
6 to read as follows:

7 7. *Hallucinogenic substances.* Unless specifically excepted  
8 or unless listed in another schedule, any material, compound,  
9 mixture, or preparation which contains any quantity of the  
10 following substances, or, for purposes of paragraphs "a" and  
11 "b", which contains any of its salts, isomers, or salts of  
12 isomers whenever the existence of such salts, isomers, or salts  
13 of isomers is possible within the specific chemical designation  
14 (for purposes of this paragraph only, the term "isomer" includes  
15 the optical, positional, and geometric isomers):

16 a. ~~Marijuana when used for medicinal purposes pursuant to~~  
17 ~~rules of the board.~~

18 b. Tetrahydrocannabinols, meaning tetrahydrocannabinols  
19 naturally contained in a plant of the genus Cannabis (Cannabis  
20 plant) as well as synthetic equivalents of the substances  
21 contained in the Cannabis plant, or in the resinous extractives  
22 of such plant, and synthetic substances, derivatives, and their  
23 isomers with similar chemical structure and pharmacological  
24 activity to those substances contained in the plant, such as  
25 the following:

26 (1) 1 cis or trans tetrahydrocannabinol, and their optical  
27 isomers.

28 (2) 6 cis or trans tetrahydrocannabinol, and their optical  
29 isomers.

30 (3) 3,4 cis or trans tetrahydrocannabinol, and their  
31 optical isomers. (Since nomenclature of these substances  
32 is not internationally standardized, compounds of these  
33 structures, regardless of numerical designation of atomic  
34 positions covered.)

35 ~~b.~~ c. Nabilone [another name for

1 nabilone: (+-) -

2 trans-3-(1,1-dimethylheptyl)-6,6a,7,8,10,10a-hexahydro-1-  
3 hydroxy-6,6-dimethyl-9H-dibenzo[b,d]pyran-9-one].

4 Sec. 4. Section 124.401, subsection 5, unnumbered paragraph  
5 3, Code 2015, is amended to read as follows:

6 A person may knowingly or intentionally recommend, possess,  
7 use, dispense, deliver, transport, or administer ~~cannabidiol~~  
8 medical cannabis if the recommendation, possession, use,  
9 dispensing, delivery, transporting, or administering is in  
10 accordance with the provisions of chapter ~~124D~~ 124E. For  
11 purposes of this paragraph, ~~"cannabidiol"~~ "medical cannabis"  
12 means the same as defined in section ~~124D.2~~ 124E.2.

13 Sec. 5. NEW SECTION. 124E.1 Short title.

14 This chapter shall be known and may be cited as the *"Medical*  
15 *Cannabis Act"*.

16 Sec. 6. NEW SECTION. 124E.2 Definitions.

17 As used in this chapter:

18 1. *"Debilitating medical condition"* means any of the  
19 following:

20 a. Cancer.

21 b. Multiple sclerosis.

22 c. Epilepsy.

23 d. AIDS or HIV as defined in section 141A.1.

24 e. Glaucoma.

25 f. Hepatitis C.

26 g. Crohn's disease or ulcerative colitis.

27 h. Amyotrophic lateral sclerosis.

28 i. Ehlers-danlos syndrome.

29 j. Post-traumatic stress disorder.

30 k. Severe, chronic pain caused by an underlying medical  
31 condition that is not responsive to conventional treatment or  
32 conventional treatment that produces debilitating side effects.

33 l. Any other chronic or debilitating disease or medical  
34 condition or its medical treatment approved by the department  
35 pursuant to rule.

1 2. "*Department*" means the department of public health.

2 3. "*Disqualifying felony offense*" means a violation under  
3 federal or state law of a felony offense, which has as an  
4 element the possession, use, or distribution of a controlled  
5 substance, as defined in 21 U.S.C. §802(6).

6 4. "*Enclosed, locked facility*" means a closet, room,  
7 greenhouse, or other enclosed area equipped with locks or other  
8 security devices that permit access only by a cardholder.

9 5. "*Health care practitioner*" means an individual licensed  
10 under chapter 148 to practice medicine and surgery or  
11 osteopathic medicine and surgery, a physician assistant  
12 licensed under chapter 148C, or an advanced registered nurse  
13 practitioner licensed pursuant to chapter 152 or 152E.

14 6. "*Medical cannabis*" means any species of the genus  
15 cannabis plant, or any mixture or preparation of them,  
16 including whole plant extracts and resins.

17 7. "*Medical cannabis dispensary*" means an entity licensed  
18 under section 124E.8 that acquires medical cannabis from a  
19 medical cannabis manufacturer in this state for the purpose  
20 of dispensing medical cannabis in this state pursuant to this  
21 chapter.

22 8. "*Medical cannabis manufacturer*" means an entity licensed  
23 by the department to manufacture and to possess, cultivate,  
24 transport, or supply medical cannabis pursuant to the  
25 provisions of this chapter.

26 9. "*Primary caregiver*" means a person, at least eighteen  
27 years of age, who has been designated by a patient's health  
28 care practitioner or a person having custody of a patient, as  
29 a necessary caretaker taking responsibility for managing the  
30 well-being of the patient with respect to the use of medical  
31 cannabis pursuant to the provisions of this chapter.

32 10. "*Written certification*" means a document signed by a  
33 health care practitioner, with whom the patient has established  
34 a patient-provider relationship, which states that the patient  
35 has a debilitating medical condition and identifies that

1 condition and provides any other relevant information.

2 Sec. 7. NEW SECTION. 124E.3 Health care practitioner  
3 certification — duties.

4 1. Prior to a patient's submission of an application for a  
5 medical cannabis card pursuant to section 124E.4, a health care  
6 practitioner shall do all of the following:

7 a. Determine, in the health care practitioner's medical  
8 judgment, whether the patient whom the health care practitioner  
9 has examined and treated suffers from a debilitating medical  
10 condition that qualifies for the use of medical cannabis under  
11 this chapter, and if so determined, provide the patient with a  
12 written certification of that diagnosis.

13 b. Provide explanatory information as provided by the  
14 department to the patient about the therapeutic use of medical  
15 cannabis.

16 2. Determine, on an annual basis, if the patient continues  
17 to suffer from a debilitating medical condition and, if so,  
18 issue the patient a new certification of that diagnosis.

19 3. Otherwise comply with all requirements established by  
20 the department pursuant to rule.

21 4. A health care practitioner may provide, but has no duty  
22 to provide, a written certification pursuant to this section.

23 Sec. 8. NEW SECTION. 124E.4 Medical cannabis registration  
24 card.

25 1. *Issuance to patient.* The department may approve the  
26 issuance of a medical cannabis registration card by the  
27 department of transportation to a patient who:

28 a. Is at least eighteen years of age.

29 b. Is a permanent resident of this state.

30 c. Submits a written certification to the department signed  
31 by the patient's health care practitioner that the patient is  
32 suffering from a debilitating medical condition.

33 d. Submits an application to the department, on a form  
34 created by the department, in consultation with the department  
35 of transportation, that contains all of the following:

1 (1) The patient's full name, Iowa residence address, date  
2 of birth, and telephone number.

3 (2) A copy of the patient's valid photo identification.

4 (3) Full name, address, and telephone number of the  
5 patient's health care practitioner.

6 (4) Full name, residence address, date of birth, and  
7 telephone number of each primary caregiver of the patient, if  
8 any.

9 (5) Any other information required by rule.

10 e. Submits a medical cannabis registration card fee of one  
11 hundred dollars to the department. If the patient attests to  
12 receiving social security disability benefits, supplemental  
13 security insurance payments, or being enrolled in medical  
14 assistance, the fee shall be twenty-five dollars.

15 2. *Patient card contents.* A medical cannabis registration  
16 card issued to a patient by the department of transportation  
17 pursuant to subsection 1 shall contain, at a minimum, all of  
18 the following:

19 a. The patient's full name, Iowa residence address, and date  
20 of birth.

21 b. The patient's photo.

22 c. The date of issuance and expiration date of the  
23 registration card.

24 d. Any other information required by rule.

25 3. *Issuance to primary caregiver.* For a patient in a  
26 primary caregiver's care, the department may approve the  
27 issuance of a medical cannabis registration card by the  
28 department of transportation to the primary caregiver who:

29 a. Is at least eighteen years of age.

30 b. Submits a written certification to the department signed  
31 by the patient's health care practitioner that the patient in  
32 the primary caregiver's care is suffering from a debilitating  
33 medical condition.

34 c. Submits an application to the department, on a form  
35 created by the department, in consultation with the department

1 of transportation, that contains all of the following:

2 (1) The primary caregiver's full name, residence address,  
3 date of birth, and telephone number.

4 (2) The patient's full name.

5 (3) A copy of the primary caregiver's valid photo  
6 identification.

7 (4) Full name, address, and telephone number of the  
8 patient's health care practitioner.

9 (5) Any other information required by rule.

10 *d.* Submits a medical cannabis registration card fee of  
11 twenty-five dollars to the department.

12 4. *Primary caregiver card contents.* A medical cannabis  
13 registration card issued by the department of transportation to  
14 a primary caregiver pursuant to subsection 3 shall contain, at  
15 a minimum, all of the following:

16 *a.* The primary caregiver's full name, residence address, and  
17 date of birth.

18 *b.* The primary caregiver's photo.

19 *c.* The date of issuance and expiration date of the  
20 registration card.

21 *d.* The registration card number of each patient in the  
22 primary caregiver's care. If the patient in the primary  
23 caregiver's care is under the age of eighteen, the full name of  
24 the patient's parent or legal guardian.

25 *e.* Any other information required by rule.

26 5. *Expiration date of card.* A medical cannabis registration  
27 card issued pursuant to this section shall expire one year  
28 after the date of issuance and may be renewed.

29 6. *Card issuance — department of transportation.* The  
30 department may enter into a chapter 28E agreement with the  
31 department of transportation to facilitate the issuance of  
32 medical cannabis registration cards pursuant to subsections 1  
33 and 3.

34 Sec. 9. NEW SECTION. 124E.5 **Medical advisory board —**  
35 **duties.**

1 1. No later than August 15, 2015, the director of public  
2 health shall establish a medical advisory board consisting of  
3 nine practitioners representing the fields of neurology, pain  
4 management, gastroenterology, oncology, psychiatry, pediatrics,  
5 infectious disease, family medicine, and pharmacy, and three  
6 patients with valid medical cannabis registration cards. The  
7 practitioners shall be nationally board-certified in their  
8 area of specialty and knowledgeable about the use of medical  
9 cannabis.

10 2. A quorum of the advisory board shall consist of seven  
11 members.

12 3. The duties of the advisory board shall include but not be  
13 limited to the following:

14 a. Reviewing and recommending to the department for  
15 approval additional chronic or debilitating diseases or  
16 medical conditions or their treatments as debilitating medical  
17 conditions that qualify for the use of medical cannabis under  
18 this chapter.

19 b. Accepting and reviewing petitions to add chronic or  
20 debilitating diseases or medical conditions or their medical  
21 treatments to the list of debilitating medical conditions that  
22 qualify for the use of medical cannabis under this chapter.

23 c. Advising the department regarding the location of  
24 medical cannabis dispensaries throughout the state, the form  
25 and quantity of allowable medical cannabis to be dispensed  
26 to a patient or primary caregiver, and the general oversight  
27 of medical cannabis manufacturers and medical cannabis  
28 dispensaries in this state.

29 d. Convening at least twice per year to conduct public  
30 hearings and to evaluate petitions, which shall be maintained  
31 as confidential personal health information, to add chronic or  
32 debilitating diseases or medical conditions or their medical  
33 treatments to the list of debilitating medical conditions that  
34 qualify for the use of medical cannabis under this chapter.

35 Sec. 10. NEW SECTION. 124E.6 Medical cannabis manufacturer

1 licensure.

2 1. *a.* The department shall license four medical cannabis  
3 manufacturers to manufacture medical cannabis within this state  
4 consistent with the provisions of this chapter by December  
5 1, 2015. The department shall license new medical cannabis  
6 manufacturers or relicense the existing medical cannabis  
7 manufacturers by December 1 of each year.

8 *b.* Information submitted during the application process  
9 shall be confidential until the medical cannabis manufacturer  
10 is licensed by the department unless otherwise protected from  
11 disclosure under state or federal law.

12 2. As a condition for licensure, a medical cannabis  
13 manufacturer must agree to begin supplying medical cannabis to  
14 medical cannabis dispensaries in this state by July 1, 2016.

15 3. The department shall consider the following factors in  
16 determining whether to license a medical cannabis manufacturer:

17 *a.* The technical expertise of the medical cannabis  
18 manufacturer in medical cannabis.

19 *b.* The qualifications of the medical cannabis manufacturer's  
20 employees.

21 *c.* The long-term financial stability of the medical cannabis  
22 manufacturer.

23 *d.* The ability to provide appropriate security measures on  
24 the premises of the medical cannabis manufacturer.

25 *e.* Whether the medical cannabis manufacturer has  
26 demonstrated an ability to meet certain medical cannabis  
27 production needs for medical use regarding the range of  
28 recommended dosages for each debilitating medical condition,  
29 the range of chemical compositions of any plant of the genus  
30 cannabis that will likely be medically beneficial for each  
31 of the debilitating medical conditions, and the form of the  
32 medical cannabis in the manner determined by the department  
33 pursuant to rule.

34 *f.* The medical cannabis manufacturer's projection of and  
35 ongoing assessment of fees on patients with debilitating

1 medical conditions.

2 4. The department shall require each medical cannabis  
3 manufacturer to contract with the state hygienic laboratory  
4 at the university of Iowa in Iowa City to test the medical  
5 cannabis produced by the manufacturer. The department shall  
6 require that the laboratory report testing results to the  
7 manufacturer in a manner determined by the department pursuant  
8 to rule.

9 5. Each entity submitting an application for licensure  
10 as a medical cannabis manufacturer shall pay a nonrefundable  
11 application fee of seven thousand five hundred dollars to the  
12 department.

13 Sec. 11. NEW SECTION. 124E.7 **Medical cannabis**  
14 **manufacturers.**

15 1. A medical cannabis manufacturer shall contract with the  
16 state hygienic laboratory at the university of Iowa in Iowa  
17 City for purposes of testing the medical cannabis manufactured  
18 by the medical cannabis manufacturer as to content,  
19 contamination, and consistency. The cost of all laboratory  
20 testing shall be paid by the medical cannabis manufacturer.

21 2. The operating documents of a medical cannabis  
22 manufacturer shall include all of the following:

23 a. Procedures for the oversight of the medical cannabis  
24 manufacturer and procedures to ensure accurate record keeping.

25 b. Procedures for the implementation of appropriate security  
26 measures to deter and prevent the theft of medical cannabis and  
27 unauthorized entrance into areas containing medical cannabis.

28 3. A medical cannabis manufacturer shall implement security  
29 requirements, including requirements for protection of each  
30 location by a fully operational security alarm system, facility  
31 access controls, perimeter intrusion detection systems, and a  
32 personnel identification system.

33 4. A medical cannabis manufacturer shall not share  
34 office space with, refer patients to, or have any financial  
35 relationship with a health care practitioner.

1 5. A medical cannabis manufacturer shall not permit any  
2 person to consume medical cannabis on the property of the  
3 medical cannabis manufacturer.

4 6. A medical cannabis manufacturer is subject to reasonable  
5 inspection by the department.

6 7. A medical cannabis manufacturer shall not employ  
7 a person under eighteen years of age or who has been  
8 convicted of a disqualifying felony offense. An employee  
9 of a medical cannabis manufacturer shall be subject to a  
10 background investigation conducted by the division of criminal  
11 investigation of the department of public safety and a national  
12 criminal history background check.

13 8. A medical cannabis manufacturer shall not operate in any  
14 location, whether for manufacturing, cultivating, harvesting,  
15 packaging, or processing, within one thousand feet of a public  
16 or private school existing before the date of the medical  
17 cannabis manufacturer's licensure by the department.

18 9. A medical cannabis manufacturer shall comply with  
19 reasonable restrictions set by the department relating to  
20 signage, marketing, display, and advertising of medical  
21 cannabis.

22 10. *a.* A medical cannabis manufacturer shall provide a  
23 reliable and ongoing supply of medical cannabis to medical  
24 cannabis dispensaries pursuant to this chapter.

25 *b.* All manufacturing, cultivating, harvesting, packaging,  
26 and processing of medical cannabis shall take place in an  
27 enclosed, locked facility at a physical address provided to the  
28 department during the licensure process.

29 *c.* A medical cannabis manufacturer shall not manufacture  
30 edible medical cannabis products utilizing food coloring.

31 **Sec. 12. NEW SECTION. 124E.8 Medical cannabis dispensary**  
32 **licensure.**

33 1. *a.* The department shall license by April 1, 2016, twelve  
34 medical cannabis dispensaries to dispense medical cannabis  
35 within this state consistent with the provisions of this

1 chapter. The department shall license new medical cannabis  
2 dispensaries or relicense the existing medical cannabis  
3 manufacturers by December 1 of each year.

4 *b.* Information submitted during the application process  
5 shall be confidential until the medical cannabis dispensary  
6 is licensed by the department unless otherwise protected from  
7 disclosure under state or federal law.

8 2. As a condition for licensure, a medical cannabis  
9 dispensary must agree to begin supplying medical cannabis to  
10 patients by July 1, 2016.

11 3. The department shall consider the following factors in  
12 determining whether to license a medical cannabis dispensary:

13 *a.* The technical expertise of the medical cannabis  
14 dispensary regarding medical cannabis.

15 *b.* The qualifications of the medical cannabis dispensary's  
16 employees.

17 *c.* The long-term financial stability of the medical cannabis  
18 dispensary.

19 *d.* The ability to provide appropriate security measures on  
20 the premises of the medical cannabis dispensary.

21 *e.* The medical cannabis dispensary's projection and ongoing  
22 assessment of fees for the purchase of medical cannabis on  
23 patients with debilitating medical conditions.

24 4. Each entity submitting an application for licensure  
25 as a medical cannabis dispensary shall pay a nonrefundable  
26 application fee of five thousand dollars to the department.

27 **Sec. 13. NEW SECTION. 124E.9 Medical cannabis dispensaries.**

28 1. *a.* The medical cannabis dispensaries shall be located  
29 based on geographical need throughout the state to improve  
30 patient access.

31 *b.* A medical cannabis dispensary may dispense medical  
32 cannabis pursuant to the provisions of this chapter but shall  
33 not dispense any medical cannabis in a form or quantity other  
34 than the form or quantity allowed by the department pursuant  
35 to rule.

1     2. The operating documents of a medical cannabis dispensary  
2 shall include all of the following:

3     *a.* Procedures for the oversight of the medical cannabis  
4 dispensary and procedures to ensure accurate record keeping.

5     *b.* Procedures for the implementation of appropriate security  
6 measures to deter and prevent the theft of medical cannabis and  
7 unauthorized entrance into areas containing medical cannabis.

8     3. A medical cannabis dispensary shall implement security  
9 requirements, including requirements for protection by a fully  
10 operational security alarm system, facility access controls,  
11 perimeter intrusion detection systems, and a personnel  
12 identification system.

13     4. A medical cannabis dispensary shall not share office  
14 space with, refer patients to, or have any financial  
15 relationship with a health care practitioner.

16     5. A medical cannabis dispensary shall not permit any person  
17 to consume medical cannabis on the property of the medical  
18 cannabis dispensary.

19     6. A medical cannabis dispensary is subject to reasonable  
20 inspection by the department.

21     7. A medical cannabis dispensary shall not employ  
22 a person under eighteen years of age or who has been  
23 convicted of a disqualifying felony offense. An employee  
24 of a medical cannabis dispensary shall be subject to a  
25 background investigation conducted by the division of criminal  
26 investigation of the department of public safety and a national  
27 criminal history background check.

28     8. A medical cannabis dispensary shall not operate in any  
29 location within one thousand feet of a public or private school  
30 existing before the date of the medical cannabis dispensary's  
31 licensure by the department.

32     9. A medical cannabis dispensary shall comply with  
33 reasonable restrictions set by the department relating to  
34 signage, marketing, display, and advertising of medical  
35 cannabis.

1 10. Prior to dispensing of any medical cannabis, a medical  
2 cannabis dispensary shall do all of the following:

3 a. Verify that the medical cannabis dispensary has received  
4 a valid medical cannabis registration card from a patient or a  
5 patient's primary caregiver, if applicable.

6 b. Assign a tracking number to any medical cannabis  
7 dispensed from the medical cannabis dispensary.

8 c. (1) Properly package medical cannabis in compliance with  
9 federal law regarding child resistant packaging and exemptions  
10 for packaging for elderly patients, and label medical cannabis  
11 with a list of all active ingredients and individually  
12 identifying information, including all of the following:

13 (a) The name and date of birth of the patient and the  
14 patient's primary caregiver, if appropriate.

15 (b) The medical cannabis registration card numbers of the  
16 patient and the patient's primary caregiver, if applicable.

17 (c) The chemical composition of the medical cannabis.

18 (2) Proper packaging of medical cannabis shall include but  
19 not be limited to all of the following:

20 (a) Warning labels regarding the use of medical cannabis by  
21 a woman during pregnancy and while breastfeeding.

22 (b) Clearly labeled packaging indicating that an edible  
23 medical cannabis product contains medical cannabis and which  
24 packaging shall not imitate candy products or in any way make  
25 the product marketable to children.

26 11. A medical cannabis dispensary shall employ a pharmacist  
27 licensed pursuant to chapter 155A.

28 Sec. 14. NEW SECTION. 124E.10 Fees.

29 Medical cannabis registration card fees and medical cannabis  
30 manufacturer and medical cannabis dispensary application  
31 and annual fees collected by the department pursuant to  
32 this chapter shall be retained by the department, shall be  
33 considered repayment receipts as defined in section 8.2, and  
34 shall be used for the purpose of regulating medical cannabis  
35 manufacturers and medical cannabis dispensaries and for other

1 expenses necessary for the administration of this chapter.

2 Sec. 15. NEW SECTION. 124E.11 Department duties — rules.

3 1. a. The department shall maintain a confidential file  
4 of the names of each patient to or for whom the department  
5 issues a medical cannabis registration card and the name of  
6 each primary caregiver to whom the department issues a medical  
7 cannabis registration card under section 124E.4.

8 b. Individual names contained in the file shall be  
9 confidential and shall not be subject to disclosure, except as  
10 provided in subparagraph (1).

11 (1) Information in the confidential file maintained  
12 pursuant to paragraph "a" may be released on an individual basis  
13 to the following persons under the following circumstances:

14 (a) To authorized employees or agents of the department and  
15 the department of transportation as necessary to perform the  
16 duties of the department and the department of transportation  
17 pursuant to this chapter.

18 (b) To authorized employees of state or local law  
19 enforcement agencies, but only for the purpose of verifying  
20 that a person is lawfully in possession of a medical cannabis  
21 registration card issued pursuant to this chapter.

22 (c) To authorized employees of a medical cannabis  
23 dispensary, but only for the purpose of verifying that a person  
24 is lawfully in possession of a medical cannabis registration  
25 card issued pursuant to this chapter.

26 (2) Release of information pursuant to subparagraph  
27 (1) shall be consistent with the federal Health Insurance  
28 Portability and Accountability Act of 1996, Pub. L. No.  
29 104-191.

30 2. The department shall adopt rules pursuant to chapter  
31 17A to administer this chapter which shall include but not be  
32 limited to rules to do all of the following:

33 a. Govern the manner in which the department shall consider  
34 applications for new and renewal medical cannabis registration  
35 cards.

1     *b.* Identify criteria and set forth procedures for  
2 including additional chronic or debilitating diseases or  
3 medical conditions or their medical treatments on the list of  
4 debilitating medical conditions that qualify for the use of  
5 medical cannabis. Procedures shall include a petition process  
6 and shall allow for public comment and public hearings before  
7 the medical advisory board.

8     *c.* Set forth additional chronic or debilitating diseases or  
9 medical conditions or their medical treatments for inclusion  
10 on the list of debilitating medical conditions that qualify  
11 for the use of medical cannabis as recommended by the medical  
12 advisory board.

13    *d.* Establish the form and quantity of medical cannabis  
14 allowed to be dispensed to a patient or primary caregiver  
15 pursuant to this chapter. The form and quantity of medical  
16 cannabis shall be appropriate to serve the medical needs of  
17 patients with debilitating conditions.

18    *e.* Establish requirements for the licensure of medical  
19 cannabis manufacturers and medical cannabis dispensaries and  
20 set forth procedures for medical cannabis manufacturers and  
21 medical cannabis dispensaries to obtain licenses.

22    *f.* Develop a dispensing system for medical cannabis within  
23 this state that provides for all of the following:

24       (1) Medical cannabis dispensaries within this state housed  
25 on secured grounds and operated by licensed medical cannabis  
26 dispensaries.

27       (2) The dispensing of medical cannabis to patients and  
28 their primary caregivers to occur at locations designated by  
29 the department.

30    *g.* Establish and collect annual fees from medical cannabis  
31 manufacturers and medical cannabis dispensaries to cover  
32 the costs associated with regulating and inspecting medical  
33 cannabis manufacturers and medical cannabis dispensaries.

34    *h.* Specify and implement procedures that address public  
35 safety including security procedures and product quality

1 including measures to ensure contaminant-free cultivation of  
2 medical cannabis, safety, and labeling.

3 *i.* Establish and implement a real-time, statewide  
4 medical cannabis registry management sale tracking system  
5 that is available to medical cannabis dispensaries on a  
6 twenty-four-hour-day, seven-day-a-week basis for the purpose of  
7 verifying that a person is lawfully in possession of a medical  
8 cannabis registration card issued pursuant to this chapter  
9 and for tracking the date of the sale and quantity of medical  
10 cannabis purchased by a patient or a primary caregiver.

11 *j.* Establish and implement a medical cannabis inventory  
12 and delivery tracking system to track medical cannabis  
13 from production by a medical cannabis manufacturer through  
14 dispensing at a medical cannabis dispensary.

15 **Sec. 16. NEW SECTION. 124E.12 Reciprocity.**

16 A valid medical cannabis registration card, or its  
17 equivalent, issued under the laws of another state that allows  
18 an out-of-state patient to possess or use medical cannabis in  
19 the jurisdiction of issuance shall have the same force and  
20 effect as a valid medical cannabis registration card issued  
21 pursuant to this chapter, except that an out-of-state patient  
22 in this state shall not obtain medical cannabis from a medical  
23 cannabis dispensary in this state.

24 **Sec. 17. NEW SECTION. 124E.13 Use of medical cannabis —**  
25 **smoking prohibited.**

26 A patient shall not consume medical cannabis possessed or  
27 used as authorized by this chapter by smoking medical cannabis.

28 **Sec. 18. NEW SECTION. 124E.14 Use of medical cannabis —**  
29 **affirmative defenses.**

30 1. A health care practitioner, including any authorized  
31 agent or employee thereof, shall not be subject to  
32 prosecution for the unlawful certification, possession, or  
33 administration of marijuana under the laws of this state for  
34 activities arising directly out of or directly related to the  
35 certification or use of medical cannabis in the treatment of

1 a patient diagnosed with a debilitating medical condition as  
2 authorized by this chapter.

3 2. A medical cannabis manufacturer, including any  
4 authorized agent or employee thereof, shall not be subject  
5 to prosecution for manufacturing, possessing, cultivating,  
6 harvesting, packaging, processing, transporting, or supplying  
7 medical cannabis pursuant to this chapter.

8 3. A medical cannabis dispensary, including any authorized  
9 agent or employee thereof, shall not be subject to prosecution  
10 for transporting, supplying, or dispensing medical cannabis  
11 pursuant to this chapter.

12 a. In a prosecution for the unlawful possession of marijuana  
13 under the laws of this state, including but not limited to  
14 chapters 124 and 453B, it is an affirmative and complete  
15 defense to the prosecution that the patient has been diagnosed  
16 with a debilitating medical condition, used or possessed  
17 medical cannabis pursuant to a certification by a health care  
18 practitioner as authorized under this chapter, and, for a  
19 patient eighteen years of age or older, is in possession of a  
20 valid medical cannabis registration card.

21 b. In a prosecution for the unlawful possession of marijuana  
22 under the laws of this state, including but not limited to  
23 chapters 124 and 453B, it is an affirmative and complete  
24 defense to the prosecution that the person possessed medical  
25 cannabis because the person is a primary caregiver of a patient  
26 who has been diagnosed with a debilitating medical condition  
27 and is in possession of a valid medical cannabis registration  
28 card, and where the primary caregiver's possession of the  
29 medical cannabis is on behalf of the patient and for the  
30 patient's use only as authorized under this chapter.

31 c. If a patient or primary caregiver is charged with the  
32 commission of a crime and is not in possession of the person's  
33 medical cannabis registration card, any charge or charges filed  
34 against the person shall be dismissed by the court if the  
35 person produces to the court prior to or at the person's trial

1 a medical cannabis registration card issued to that person and  
2 valid at the time the person was charged.

3 4. An agency of this state or a political subdivision  
4 thereof, including any law enforcement agency, shall not remove  
5 or initiate proceedings to remove a patient under the age  
6 of eighteen from the home of a parent based solely upon the  
7 parent's or patient's possession or use of medical cannabis as  
8 authorized under this chapter.

9 Sec. 19. NEW SECTION. 124E.15 Penalties.

10 1. A person who knowingly or intentionally possesses or  
11 uses medical cannabis in violation of the requirements of this  
12 chapter is subject to the penalties provided under chapters 124  
13 and 453B.

14 2. A medical cannabis manufacturer or a medical cannabis  
15 dispensary shall be assessed a civil penalty of up to one  
16 thousand dollars per violation for any violation of this  
17 chapter in addition to any other applicable penalties.

18 Sec. 20. EMERGENCY RULES. The department may adopt  
19 emergency rules under section 17A.4, subsection 3, and section  
20 17A.5, subsection 2, paragraph "b", to implement the provisions  
21 of this Act and the rules shall be effective immediately upon  
22 filing unless a later date is specified in the rules. Any  
23 rules adopted in accordance with this section shall also be  
24 published as a notice of intended action as provided in section  
25 17A.4.

26 Sec. 21. TRANSITION PROVISIONS. A medical cannabis  
27 registration card issued under chapter 124D prior to July 1,  
28 2015, remains effective and continues in effect as issued for  
29 the twelve-month period following its issuance. This Act does  
30 not preclude the permit holder from seeking to renew the permit  
31 under this Act prior to the expiration of the twelve-month  
32 period.

33 Sec. 22. REPORTS. The university of Iowa Carver college of  
34 medicine and college of pharmacy shall, on or before July 1 of  
35 each year, beginning July 1, 2016, submit a report detailing

1 the scientific literature, studies, and clinical trials  
2 regarding the use of medical cannabis on patients diagnosed  
3 with debilitating medical conditions as defined in this Act to  
4 the department of public health and the general assembly.  
5 Sec. 23. REPEAL. Chapter 124D, Code 2015, is repealed.